

The Solidarity Economy

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Social and Solidarity Economy (SSE) is a multifaceted concept that can be presented across a wide spectrum of social practices. It means both a set of concrete economic activities, the principles underlying them, and a paradigm for a social movement, i.e. it is both an action, a know-how and a distant but achievable socio-economic vision. This set of economic activities can consist of a lot of things: a business, alternative housing solutions, an NGO working to solve a local problem, the transfer of knowledge, the linking of existing initiatives at local, national and international level, and the strengthening of the links between them.

The logic that lies under the practices of the solidarity economy systems cannot be understood without an insight into the notion tracing back the economic, social and ecological crisis of our time to a single cause, being the fundamental functioning of the existing economic system. In this mode of operation, there is a fundamental contradiction between production and reproduction, because the logic of accumulation takes the various forms of reproduction (ecological, long-term and short-term social) as a given, i.e. in practice it does not reward informal, invisible and reproductive labour, but exploits it as much as possible. It is at this point that solidarity-based economic activity can countervein by creating and disseminating economic practices that organise their activities with respect to reproductive processes. Therefore, the main focus of solidarity economy practices is to build alternative economic initiatives in key areas such as care, housing, food, work organisation and energy supply. It also follows that SSE initiatives are autonomous cooperatives of an economic nature, which organise their activities in a democratic (i.e. based on egalitarian principles and favouring the form of community ownership over other forms) and ecologically sustainable way and actively seek alliances with other similar initiatives to create a third economic sector independent of the market and the state. Historically the cooperative movement can be highlighted as their ally, considering its heritage, like The Rochdale Principles. Their aim is to achieve a just transition, to transform society in the long term, addressing the problems of environmental inequality and tackling their harmful effects (vulnerable groups, environmental degradation) at their root.

The application of these principles are illustrated partly through the example of the Gólya Cooperative, a community space that mobilises local communities through the common ownership of its members and invests the profits generated in socially beneficial projects, and partly through the Rákóczi Collective (both in Budapest), which provides an example of how a tenant housing cooperative managing a common property portfolio can offer affordable housing. The movement for food sovereignty and community energy projects are also considered.

Working in these areas requires a considerable amount of technical knowledge, and in most cases relevant skills can only be acquired via practical interventions, which is key to the solidarity economy. Special expertise is also required to build a democratic organisational structure, in which international umbrella organisations for knowledge transfer, such as RIPESS and the Foundation for the Progress of Humankind, or the Solidarity Economy Centre in Hungary, play an important role. It is also up to the umbrella organisations to fight for a more favourable legal and economic environment where possible, as they can have a strong lobbying power in the case of many member organisations (there are several international examples of this in Uruguay, Northern Italy and Kerala, India, among others).